

**EIGHTY-SEVENTH GENERAL ASSEMBLY
2018 REGULAR SESSION
DAILY
SENATE CLIP SHEET**

March 28, 2018

Clip Sheet Summary

Displays all amendments, fiscal notes, and conference committee reports for previous day.

| Bill | Amendment | Action | Sponsor |
|--------------------------------------|-------------------------------------|-----------------------|-------------------|
| <u>SF 2388</u> | <u>S-5189</u> | Adopted | RANDY FEENSTRA |
| <u>SF 2388</u> | <u>S-5193</u> | Adopted | RANDY FEENSTRA |
| <u>SF 2388</u> | <u>S-5194</u> | Lost | CHAZ ALLEN |
| <u>SF 2389</u> | <u>S-5192</u> | Adopted | DAN DAWSON |
| <u>SF 2389</u> | <u>S-5195</u> | Ruled Out of Order | DAVID JOHNSON |
| <u>SF 2389</u> | <u>S-5196</u> | Adopted | DAN DAWSON |
| <u>HF 2233</u> | <u>S-5190</u> | Lost | TONY BISIGNANO |
| <u>HF 2233</u> | <u>S-5191</u> | Adopted | JULIAN GARRETT |

Fiscal Notes

[SF 475](#) — [Education Omnibus](#) (LSB1489SV.4)

SENATE FILE 2388

S-5189

1 Amend Senate File 2388 as follows:

2 1. Page 3, line 1, by striking <2019> and inserting <2022>

3 2. Page 3, line 6, by striking <2021> and inserting <2024>

4 3. Page 4, after line 20 by inserting:

5 <Sec. _____. Section 433.4, Code 2018, is amended by adding
6 the following new subsection:

7 NEW SUBSECTION. 3. For the assessment years beginning
8 January 1, 2019, January 1, 2020, and January 1, 2021,
9 following the partial exemption from taxation under subsection
10 2, each company assessed for taxation under this chapter shall
11 receive an additional exemption from taxation on the value of
12 the company's property as provided in this subsection.

13 a. For the assessment year beginning January 1, 2019, the
14 amount of the additional exemption for each company shall be
15 equal to twenty-five percent of the amount of the company's
16 actual value, as determined under subsection 1, remaining
17 following application of the exemption under subsection 2 for
18 the assessment year.

19 b. For the assessment year beginning January 1, 2020, the
20 amount of the additional exemption for each company shall be
21 equal to fifty percent of the amount of the company's actual
22 value, as determined under subsection 1, remaining following
23 application of the exemption under subsection 2 for the
24 assessment year.

25 c. For the assessment year beginning January 1, 2021, the
26 amount of the additional exemption for each company shall be
27 equal to seventy percent of the amount of the company's actual
28 value, as determined under subsection 1, remaining following
29 application of the exemption under subsection 2 for the
30 assessment year.

31 Sec. _____. Section 433.5, subsection 2, Code 2018, is amended
32 to read as follows:

33 2. The department of revenue shall ascertain the exemption
34 value per mile of the property of each company within this
35 state by dividing the amount of the total exemption for that

1 company determined under section 433.4, ~~subsection~~ subsections
2 2 and 3, by the number of miles of line of such company within
3 the state, and the result shall be deemed and held to be the
4 exemption value per mile of line for that company.>
5 4. Page 4, line 25, by striking <2019> and inserting <2022>
6 5. Page 4, line 26, by striking <2021> and inserting <2024>
7 6. Page 10, line 10, by striking <2019> and inserting <2022>
8 7. Page 10, line 11, by striking <2019> and inserting <2022>
9 8. Page 10, line 16, by striking <This Act,> and inserting
10 <Except as specifically provided, this Act>
11 9. Page 10, line 21, by striking <2019> and inserting <2022>
12 10. Page 10, line 23, by striking <2019> and inserting
13 <2022>
14 11. Page 10, after line 25 by inserting:
15 <Sec. ____ . EFFECTIVE DATE. The following take effect July
16 1, 2021:
17 1. The section of this Act amending section 427A.1,
18 subsection 1, paragraphs "c" and "d".
19 2. The section of this Act enacting section 427A.1,
20 subsection 6A.
21 3. The section of this Act amending section 476.1D.>
22 12. Page 10, line 27, by striking <2021> and inserting
23 <2024>
24 13. Page 11, line 14, by striking <2019> and inserting
25 <2022>
26 14. By renumbering, redesignating, and correcting internal
27 references as necessary.

By RANDY FEENSTRA

S-5189 FILED MARCH 27, 2018

ADOPTED

SENATE FILE 2388

S-5193

- 1 Amend the amendment, S-5189, to Senate File 2388 as follows:
- 2 1. Page 2, line 10, by striking <Act> and inserting <Act,>

By RANDY FEENSTRA

S-5193 FILED MARCH 27, 2018

ADOPTED

SENATE FILE 2388

S-5194

1 Amend the amendment, S-5189, to Senate File 2388 as follows:

2 1. Page 1, line 10, after <chapter> by inserting <that has
3 an approved broadband infrastructure expansion certification
4 under subsection 4,>

5 2. Page 1, after line 30 by inserting:

6 <Sec. _____. Section 433.4, Code 2018, is amended by adding
7 the following new subsection:

8 NEW SUBSECTION. 4. *a.* In order to receive the additional
9 exemption from taxation under subsection 3, each company
10 assessed for taxation under this chapter shall, on or before
11 January 1, 2019, file with the office of the chief information
12 officer a broadband infrastructure expansion certification
13 that must be approved by the chief information officer and
14 transmitted to the department of revenue.

15 *b.* A broadband infrastructure expansion certification filed
16 under this subsection shall provide a plan for the period
17 beginning January 1, 2019, and ending December 31, 2028,
18 detailing the company's proposed broadband infrastructure
19 installation projects that include the installation of
20 broadband infrastructure that facilitates broadband service at
21 or above twenty-five megabits per second of download speed and
22 three megabits per second of upload speed. The certification
23 shall also include all of the following:

24 (1) The proposed location of each project.

25 (2) The nature of the broadband infrastructure
26 installation.

27 (3) The actual cost of installing the broadband
28 infrastructure under the project, if available. The
29 application shall contain supporting documents demonstrating
30 the actual cost.

31 (4) The estimated date of commencement and the estimated
32 date of completion of each project.

33 (5) Any other information required by the office of the
34 chief information officer.

35 *c.* The office of the chief information officer shall review

S-5194 (Continued)

1 each certification filed and if the certification meets the
2 requirements of this subsection and rules adopted by the office
3 of the chief information officer to implement this subsection,
4 approve the certification and transmit such approval to the
5 department of revenue not later than May 1, 2019.

6 *d.* For purposes of this subsection, "*broadband*
7 *infrastructure*" means the same as defined in section 8B.1.>

8 3. By renumbering as necessary.

By CHAZ ALLEN

S-5194 FILED MARCH 27, 2018

LOST

SENATE FILE 2389

S-5192

1 Amend Senate File 2389 as follows:

2 1. Page 1, by striking lines 10 and 11 and inserting
3 <department to be reasonably competitive with fees established
4 in other public parks or recreation areas that provide the same
5 or similar privileges and are located within sixty miles of the
6 perimeter of the state park or recreation area for which the
7 department is establishing fees. Such fees may be>

By DAN DAWSON

S-5192 FILED MARCH 27, 2018

ADOPTED

SENATE FILE 2389

S-5195

1 Amend Senate File 2389 as follows:

2 1. By striking page 1, line 33, through page 2, line 7, and
3 inserting:

4 <6. a. A park advisory oversight committee is established,
5 which shall consist of twelve members as follows:

6 (1) The chairpersons, vice chairpersons, and ranking
7 members of the senate standing committee on natural resources
8 and environment and the house standing committee on natural
9 resources.

10 (2) The following persons from throughout the state
11 representing and appointed by each of the following
12 organizations:

13 (a) The Iowa natural heritage foundation.

14 (b) The Iowa association of county conservation boards.

15 (c) Ducks unlimited.

16 (d) Pheasants forever.

17 (e) The Izaak Walton league.

18 (f) Iowa rivers revival.

19 b. Persons serving on the park advisory oversight committee
20 pursuant to paragraph "a", subparagraph (2), shall be subject to
21 senate confirmation. Those persons shall serve staggered terms
22 of six years. A person shall not serve on the park advisory
23 oversight committee for more than two consecutive terms. The
24 initial terms for representatives from each organization shall
25 be as follows:

26 (1) One year for the representative from the Iowa natural
27 heritage foundation.

28 (2) Two years for the representative from the Iowa
29 association of county conservation boards.

30 (3) Three years for the representative from ducks
31 unlimited.

32 (4) Four years for the representative from pheasants
33 forever.

34 (5) Five years for the representative from the Izaak Walton
35 league.

S-5195 (Continued)

1 (6) Six years for the representative from Iowa rivers
2 revival.

3 *c.* A vacancy of a position under paragraph "a", subparagraph
4 (2), shall be filled for the remainder of the unexpired term by
5 a representative of the same organization for whose position
6 has become vacant.

7 *d.* The committee shall meet annually to review the report
8 submitted by the department pursuant to subsection 5. The
9 committee shall submit any recommendations, based on that
10 review, to the senate standing committee on natural resources
11 and environment and the house standing committee on natural
12 resources.>

By DAVID JOHNSON

[S-5195](#) FILED MARCH 27, 2018

RULED OUT OF ORDER

SENATE FILE 2389

S-5196

1 Amend Senate File 2389 as follows:

2 1. By striking page 1, line 31, through page 2, line 7, and
3 inserting <The report shall be submitted to the senate standing
4 committee on natural resources and environment and the house
5 standing committee on natural resources by December 31 of each
6 year.>

By DAN DAWSON

S-5196 FILED MARCH 27, 2018

ADOPTED

HOUSE FILE 2233

S-5190

1 Amend House File 2233, as amended, passed, and reprinted by
2 the House, as follows:

3 1. Page 2, line 30, by striking <thirty> and inserting
4 <sixty>

By TONY BISIGNANO

S-5190 FILED MARCH 27, 2018

LOST

HOUSE FILE 2233

S-5191

1 Amend House File 2233, as amended, passed, and reprinted by
2 the House, as follows:
3 1. Page 2, line 17, before <A> by inserting <1.>
4 2. Page 2, line 24, by striking <1.> and inserting <a.>
5 3. Page 3, line 2, by striking <2.> and inserting <b.>
6 4. Page 3, after line 4 by inserting:
7 <2. This section shall not apply to highway, bridge, or
8 culvert projects as referred to in section 573.28.>
9 5. By renumbering, redesignating, and correcting internal
10 references as necessary.

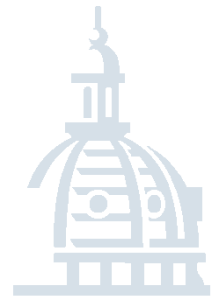
By JULIAN GARRETT

S-5191 FILED MARCH 27, 2018

ADOPTED

Fiscal Note

Fiscal Services Division



SF 475 – Education Omnibus (LSB1489SV.3)
Analyst: Josie Gerrietts (515.238.2833) (josie.gerrietts@legis.iowa.gov)
Fiscal Note Version – As amended by House Amendment [S-5182](#)

Description

[Senate File 475](#) as amended by House Amendment [S-5182](#), which strikes everything after the enacting clause, makes a variety of changes to the Iowa Code regarding education. Of the seven divisions of the Amendment, two will have a fiscal impact; two may have a fiscal impact, but the extent of fiscal impact is indeterminable; and three are expected to have little or no fiscal impact.

- Fiscal impact: Divisions II, VII
- Possible, but indeterminable fiscal impact: Divisions I, IV
- Little or no fiscal impact: Divisions III, V, VI

Divisions I and IV

Background

Divisions I and IV both pertain to various provisions regarding open enrollment in online academies. Division I rescinds the limitations on the number of students statewide open-enrolled in and receiving their education through a primarily online method. Currently, only CAM Community School District and Clayton Ridge Community School District are able to have this kind of open enrollment. It also requires that the State Board of Education adopt rules for school districts using online curriculum regarding online course content, and that the Board ensure that the content is aligned to Iowa Core standards.

Division IV creates a provision that the resident district of an open-enrolled student may retain up to \$400 per year, calculated as \$200 per cocurricular or extracurricular activity at a maximum of two activities per year, for the purpose of a student's participation in these activities. The resident district may allow the student to participate in more activities at the discretion of the district, and may charge the student the same fees as charged to other resident pupils. This provision will affect districts that have students who are open-enrolled for the purpose of receiving online education, who are included in this section.

Assumptions

It is unknown how many districts may choose to offer open enrollment online, or at what cost, as districts will be able to contract with both private and public institutions. It is also not possible to determine how many additional students may choose to participate in online open enrollment.

The number of students open-enrolling and who may choose to return to their resident districts for the purpose of cocurricular or extracurricular activities cannot be estimated.

Fiscal Impact

It is not possible to determine the fiscal impact to schools of Division I or IV. There is not expected to be a fiscal impact to the State for Division IV.

There will be a cost to the State under Division I if more students who are currently under independent private instruction (home schooling) choose to open-enroll in an online school, but the number of students who may choose to do so cannot be determined at this time. On count day in the fall of 2017, there were 904 students open-enrolled into online academies through CAM Community School District and Clayton Ridge Community School District. An analysis of the current enrollment trends for first grade through twelfth grade enrollment at the two active online academies shows that an estimated 9.6% of students enrolled in the academies in FY 2018 had not been enrolled in a public school the previous academic year.

Division II

Background

Division II of [SF 475](#) relates to concurrent enrollment in community college classes and creates an exception to the “supplement not supplant” requirements under Iowa Code section [257.11](#) for one or more career and technical education (CTE) classes falling under a single technical educational area. For example, under Division II if a school district offers both a series of agriculture classes and a series of nursing classes, only one will be eligible for supplementary weighting. Under current law, a school district may contract with a local community college to offer CTE, math, liberal arts, and science courses, which generates supplementary weighting in the school aid formula aimed at covering part of the cost of those classes. CTE classes offered under these agreements are not eligible for supplementary weighting if they are supplanting other courses required under Iowa Code section [256.11](#). Under this Division, if the class is supplanting an “offer and teach” required class, it will be eligible for supplementary weighting, generating funds for schools within the school aid formula, if the class has more than five students enrolled and if the school district has fewer than 600 students enrolled and meets all other requirements.

Assumptions

- School districts currently offering CTE classes will, when available and appropriate, supplant an “offer and teach” required class with a CTE class to generate supplementary weighting. Using the most recent available data, there are 41 courses across 26 school districts that could be eligible.
- For FY 2020, there may be classes which under current estimates have four or five students enrolled that will have increased enrollment to meet the threshold of six enrollees. For estimation purposes, between 8 and 14 five-student classes and 5 and 10 four-student classes reaching the threshold are included on the table below.
- Of school districts that do not currently have a CTE agreement, there are 24 that are close enough (within a 30-minute drive) to a community college center to possibly start an in-person CTE class by FY 2020. For FY 2020, 10 to 14 new classes are included in the estimation for **Table 1** below.
- School districts that do not currently have CTE concurrent enrollment classes will most likely be unable to start new school district campus CTE classes before FY 2021. This is due to

the implementation time needed to have the materials, curriculum, and staff in place to meet the requirements of those agreements.

- In FY 2021, up to 49 more school districts could be eligible compared to the previous year. For estimation purposes, between one-quarter and one-third will begin CTE concurrent enrollment classes.

Calculations

- School districts will not be able to participate until FY 2020, as their enrollment information for FY 2019 has already been certified by the Department of Education.
- State cost per pupil (SCPP) is set at \$6,736 per student, and district cost per pupil is used when applicable and available. Any change in the State cost per pupil will affect the estimated cost.
- Property tax replacement payment (PTRP) is set at \$92 per student.
- Weighting is applied as appropriate to the type of class, at a rate of either 0.70 or 0.46. The average enrollment of eligible CTE classes is six. Weighting is prorated to reflect the portion of the school day required by the class via full-time equivalent (FTE) weighting. The average FTE of eligible classes is 0.054 and ranges from 0.012 to 0.10. Supplemental weighting is generated by multiplying weighting by enrollment by FTE.
- Using 0.70 weighting and all other averages, an average class generates 0.2268 weights, at a cost of \$1,353 in State aid. Total generated funding is \$1,527.

Fiscal Impact

There is no fiscal impact for Division II in FY 2019 because school districts have already submitted their concurrent enrollment counts for their FY 2019 budgets. In FY 2020, the new CTE exception may generate up to \$205,461 for schools that already have CTE agreements through supplementary weighting in the school aid formula. This amount includes State aid (\$182,584) and property taxes. This is the maximum possible amount that may be generated for those school districts based on current data, and the total amount generated may be lower if all school districts do not participate. The table below reflects 90.0% of classes utilizing the supplanting option as the minimum for FY 2020. Fiscal Year 2021 includes an additional one-quarter to one-third of school districts creating new CTE concurrent enrollment agreements.

Table 1 – Estimated State Aid Change

| | FY 2019 | FY 2020 | | | | FY 2021 | | | |
|---------------------------------------|---------|-------------------|------------------|-------------------|------------------|-------------------|------------------|-------------------|------------------|
| | | Low Estimate | | High Estimate | | Low Estimate | | High Estimate | |
| | | State Aid | Property Tax | State Aid | Property Tax | State Aid | Property Tax | State Aid | Property Tax |
| Classes as Reported, Most Recent Data | \$ 0 | \$ 117,895 | \$ 14,951 | \$ 130,995 | \$ 16,413 | \$ 148,745 | \$ 18,863 | \$ 182,584 | \$ 22,876 |
| Include Five Student Classes* | N/A | 10,730 | 1,344 | 19,007 | 2,381 | N/A | N/A | N/A | N/A |
| Include Four Student Classes** | N/A | 6,706 | 851 | 13,576 | 1,701 | N/A | N/A | N/A | N/A |
| New Classes | N/A | 13,413 | 1,681 | 19,007 | 2,381 | 16,431 | 2,084 | 21,689 | 2,717 |
| Estimated Total | | \$ 148,745 | \$ 18,637 | \$ 182,584 | \$ 22,876 | \$ 165,176 | \$ 20,695 | \$ 204,273 | \$ 25,594 |

*Adds some schools adding an additional student into a class with five enrollees to meet the threshold.

**Adds some schools adding two additional students into a class with four enrollees to meet the threshold.

New Classes are classes with school districts not currently offering CTE classes:

- Est. FY 2020 10-14 classes

- Est. FY 2021 18-24 classes

Totals may not sum due to rounding.

Divisions III, V, and VI

Background

In 2007 and 2008, the General Assembly enacted requirements that parents have their children's dental (2007) and vision (2008) health screened before their children begin attending school. These requirements were updated in 2013. Division III of the Bill creates a working group to review the best practices for implementing necessary student health screening while reducing administrative requirements on school districts.

Assumptions

The working group will be made up of members deemed appropriate by the Department of Public Health as well as at least one representative from the Department of Education, the Department of Public Health, the Area Education Agencies, and the Iowa Academy of Family Physicians.

Fiscal Impact

The Department of Education and the Department of Public Health report that due to budgetary restrictions, they do not plan to offer mileage reimbursement or lunches for the working group's meetings. As a result, there is not expected to be a fiscal impact for Division III.

The costs of Division V, which creates a biliteracy seal for high school graduates showing proficiency in a second language, may be offset by a nominal fee that the Department of Education is permitted to charge for the production of the seal.

Division VI requires that any guidance issued by the Department of Education, the State Board of Education, or the Director of Education be consistent with the underlying statute or rule, and that the guidance itself is not legally binding unless required or reasonably implied by the statute, administrative rule, or other legal authority. There is no expected fiscal impact.

Division VII

Background

Division VII amends Iowa Code section [256.11](#) to include that all school districts in the State offer at least one-half unit of personal finance literacy. All students must complete the financial literacy course as a condition of graduation from an Iowa high school. The course must cover the following: savings, purchasing, wealth building, investment, compound and simple interest, real estate, mutual funds, annuities, college planning, long and short-term investment, credit and debit, consumer awareness, financial responsibility, and insurance, among other requirements.

This Division goes into effect July 1, 2019, for the FY 2020 school year.

Assumptions

- There are an estimated 36,566 students who will be seniors in FY 2020.
- There will be 40 students per section. This will result in an estimated 914 sections of financial literacy that will need to be provided in the first year of implementation.
- If a school district needs fewer than two sections of the class, the class will be taught or proctored by staff already employed by the district.
- Half of all other classes will be taught by staff already employed by the district. Based on this calculation, statewide, there will need to be added to school rosters an estimated 226 sections of classes that will be taught by new staff, generating between 28.25 and 37.68 required full-time equivalent (FTE) positions.
- Teacher salary is based on each district's average teacher salary.

Fiscal Impact

Based on school district salary data, between 28.25 and 37.68 FTE would cost school districts an estimated \$1.6 million to \$2.2 million. Total estimated impact will vary significantly by district and will be paid for from the school aid formula funding. It is possible that school districts will reduce staffing in other areas to offset the possible increase in staffing for the financial literacy class, but this offset cannot be determined at this time.

Fiscal Impact – All Divisions

Table 2 outlines the fiscal impact of [SF 475](#) as amended by [S-5182](#). For FY 2019, the fiscal impact of the Bill cannot be determined. In FY 2020, the beginning of eligibility of CTE classes for supplementary weights results in an estimated net increase in General Fund expenditures via school State aid between \$116,477 and \$180,388. There will also be an expected fiscal impact to school districts as districts ramp up the financial literacy class requirement.

Table 2 – Estimated Fiscal Impact of All Divisions, General Fund

| Division | Provision | Fiscal Impact — FY 2019 | Fiscal Impact — FY 2020 |
|------------------------|--|------------------------------------|--|
| I | Online Education, Open Enrollment | Fiscal impact cannot be determined | Fiscal impact cannot be determined |
| II | Concurrent Enrollment, CTE Exception | No expected fiscal impact | Increase, estimated \$ 118,000 - \$ 183,000 |
| III | Student Health Working Group | No expected fiscal impact | Not applicable |
| IV | Open Enrollment, Extracurricular Activity Fee | Fiscal impact cannot be determined | Fiscal impact cannot be determined |
| V | Department of Education — Biliteracy Seal | No expected fiscal impact | No expected fiscal impact |
| VI | Limitation on Department of Education Guidance | No expected fiscal impact | No expected fiscal impact |
| VII | Financial Literacy Course for Graduation Requirement | No expected fiscal impact | School district expenditures, estimated \$ 1,600,000 - \$ 2,200,000 |
| Total Estimated Impact | | | \$ 1,718,000 - \$ 2,383,000 |

Sources

Department of Education
Department of Public Health
LSA analysis and calculations

/s/ Holly M. Lyons

March 27, 2018

The fiscal note for this Bill was prepared pursuant to Joint Rule 17 and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.